



# INSURANCE CONSUMER PROTECTION Checklist

	Yes	No		Yes	No
<u>Policies and Procedures</u>			<ul style="list-style-type: none"> <li>Provides a consumer complaint monitoring and resolution process?</li> </ul>		
1. Has the board of directors consistent with its duties and responsibilities, adopted formal written policy and procedures addressing insurance and annuity sales activities that:			<u>Sales Practices</u>		
<ul style="list-style-type: none"> <li>Address program risks and ensures compliance with applicable laws, regulations, and institutional standards?</li> </ul>			1. Does the institution provide training and monitoring of sales representatives ensuring sales practices do not:		
<ul style="list-style-type: none"> <li>Address program risks and ensures compliance with applicable laws, regulations, and institutional standards?</li> </ul>			<ul style="list-style-type: none"> <li>Mislead a consumer to believe an extension of credit is conditional upon the purchase of an insurance product from the institution or any covered person. [§.30(a)(1)]</li> </ul>		
<ul style="list-style-type: none"> <li>Defines acceptable types of insurance products or annuities offered, solicited, advertised, or sold?</li> </ul>			<ul style="list-style-type: none"> <li>Mislead a consumer to believe they cannot purchase insurance from an unaffiliated entity;</li> </ul>		
<ul style="list-style-type: none"> <li>Establishes operating standards for product delivery in accordance with applicable laws, regulations, and institutional standards?</li> </ul>			<ul style="list-style-type: none"> <li>Mislead any person concerning lack of FDIC insurance associated with insurance or annuities; or</li> </ul>		
<ul style="list-style-type: none"> <li>Assigns responsibilities for directly overseeing insurance and annuities sales activities, however conducted?</li> </ul>			<ul style="list-style-type: none"> <li>Discriminate against victims of domestic violence. [§.30 (c)]</li> </ul>		
<ul style="list-style-type: none"> <li>Establishes and defines reporting relationships, frequency and standards used to achieve and maintain accountability for execution of insurance and annuity sales program?</li> </ul>			<u>Disclosures</u>		
<ul style="list-style-type: none"> <li>Defines the scope of any subsidiary, affiliate, or third party provider sales operations?</li> </ul>			1. Does the institution or covered person provide a consumer, before the completion of the initial sale of an insurance product or annuity, the following insurance disclosures:		
<ul style="list-style-type: none"> <li>Ensure regular oversight and monitoring of any subsidiary, affiliates, or third party insurance or annuity sales operation?</li> </ul>			<ul style="list-style-type: none"> <li>Insurance product or annuity is not a deposit of or obligation of the institution or its affiliates. [§.40(a) (1)]</li> </ul>		
<ul style="list-style-type: none"> <li>Establishes regular monitoring (including periodic reviews) supported by detailed reports?</li> </ul>			<ul style="list-style-type: none"> <li>Insurance product or annuity is not insured by FDIC, or other agency of the United States, a savings association, or affiliate of a savings association. [ §.40 (a)(2)]</li> </ul>		
<ul style="list-style-type: none"> <li>Ensures training programs or other means used by management to communicate and re-enforce procedures to appropriate levels of staff?</li> </ul>			<ul style="list-style-type: none"> <li>Insurance product or annuity is subject to investment risk, including loss of value (when this disclosure is accurate). [ §.40 (a)(3)]</li> </ul>		
<ul style="list-style-type: none"> <li>Establish consumer referral practices and fee arrangements?</li> </ul>			2. If insurance or annuity sales are conducted by mail or telephone, does the institution provide insurance disclosures in the appropriate manner and within the appropriate period prescribed in the regulation? [ §.40 (c) (2)(3) and (4)]		



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3. If insurance is offered or sold in connection with an application for credit, does the institution disclose to the consumer, orally and in writing, that it may not condition approval of the credit application on either:			<u>Advertising</u>		
<ul style="list-style-type: none"> <li>The consumer's purchase of an insurance product or annuity; [§.40 (b)(1)] or</li> <li>The Consumer's agreement not to obtain or a prohibition on the consumer from obtaining, an insurance product, or annuity from an unaffiliated entity. [§.40 (b)(2)]</li> </ul>			1. Does the institution ensure that advertisements and/or promotional materials for marketing insurance products or annuities refrain from using misleading or inaccurate statements?		
4. If applications for credit are conducted by mail or telephone, does the institution or covered person provide credit disclosures (a) in the appropriate manner and (b) within the appropriate period prescribed in the regulation? [ §.40 (c) (2)(3) and (4)]			2. If advertisements or promotional materials for insurance products or annuities are not of a general nature [§. 40 (d)], are the following disclosures stated in a readily understandable format:		
5. When disclosures are delivered in electronic format (a), does the consumer affirmatively consent to receiving them electronically and (b) are they provided in a format the consumer can retain or obtain later? [§. 40 (c) (4)]			<ul style="list-style-type: none"> <li>NOT A DEPOSIT</li> <li>NOT FDIC INSURED</li> <li>NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY</li> <li>NOT GUARANTEED BY THE SAVINGS ASSOCIATION</li> <li>MAY GO DOWN IN VALUE</li> </ul>		
6. Does the institution or covered person provide disclosures to consumers that are readily understandable, simple, conspicuous, direct and designed to call attention to the significance of the information provided? [§ .40 (c)(5) and (6)]			3. Does the institution or covered person use the short-form model language for insurance disclosures in advertising or promotional materials?		
<u>Consumer Acknowledgment</u>			4. Are the contents of advertising copy, promotional materials, and signage reviewed for accuracy, completeness, and compliance with laws and regulations before publication?		
1. When insurance and credit disclosures are given to a consumer, does the institution or covered person obtain a written acknowledgment of receipt from the consumer?			<u>Location of Sales Activities</u>		
2. If insurance or credit disclosures provided orally in telephone transaction, does the institution ensure the consumer's oral acknowledgment of receipt is documented and reasonable attempts are made to obtain a written acknowledgment? [§ .40 (c)(7)]			1. Are insurance or annuity sales activities conducted in an area of a branch or office, physically distinct and segregated from routine deposit taking areas (typically teller windows and teller lines)? [§ .50 (a)]		
			<u>Licensing and Referral Requirements</u>		
			1. Are sales representatives appropriately qualified and licensed to sell specific insurance products or annuities?		



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2. When the institution compensates employees (for referring customers seeking to purchase insurance or annuities to a qualified, licensed sales representative), is the employee paid compensation ONLY when the following conditions occur:		
• Compensation paid for making the referral is no more than a one-time, nominal fee of a fixed-dollar amount; and		
• Compensation is paid regardless of whether a sale results.		
3. Does the institution's training program ensure that deposit-taking employees (typically tellers) understand the strict limitations of making consumer referrals?		